

INTRODUCTION TO AGREEMENT

- Development of IC Program has been ongoing for 10 years.
- Negotiations have been ongoing for 7 years.
- No tax dollars used to fund work, funded by EPA.
- Agreement does NOT remove Superfund liability from Atlantic Richfield.
- Agreement replaces 1994 Conveyance Agreement.

INTRODUCTION TO AGREEMENT

Agreement

- Funds County to operate IC Program for the most benefit to our citizens.
- Funds County to perform 0&M obligations on County properties.
- Funds Economic Development in our County.
- Provides Performance Bonuses for implementing the Programs correctly.

INTRODUCTION TO AGREEMENT

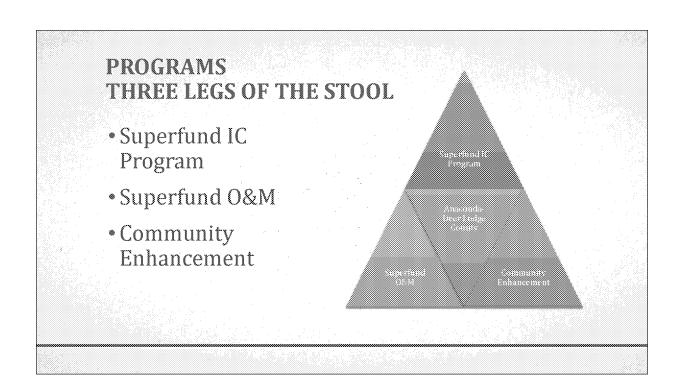
Most Importantly,

Agreement gives Anaconda the tools & personnel needed to encourage and manage new development in our community-something we have struggled with for the last 30 years.

Simply, we can make Superfund issues NOT an issue for new businesses. It evens the playing field between Anaconda and other communities in attracting new business.

OUTLINE OF AGREEMENT

- Programs
- Funding
- Incentives
- Outreach/Work Products



- Required by the EPA.
- Implements the Development Permit System (DPS):
 - 1. Ensures proper handling of contaminated soils.
 - 2. Provides guidance for developers.
 - 3. Protects completed remedy (soil caps, storm water system, sed ponds, etc.).
- Provides information to Community on Superfund related issues.
- Provides Education on methods to avoid potential exposure.

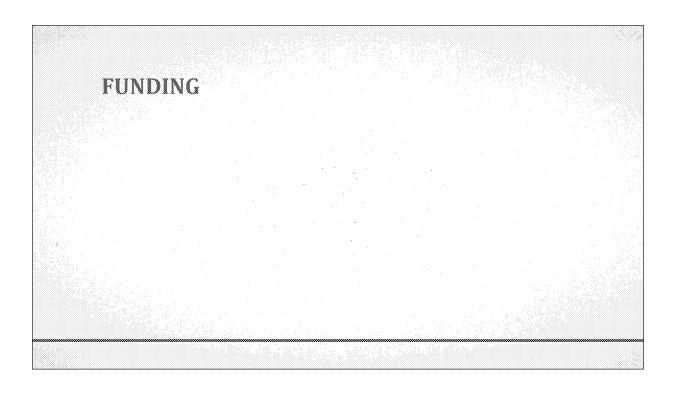
SUPERFUND IC PROGRAM

- Inspection of the properties AR gave to the County (OWGC, East Yards, Red Sands, Stucky Ridge, Mill Creek, etc.):
 - 1. Inspect Superfund caps, vegetation and storm water controls to identify any issues.
 - 2. Provide a scope of work to fix problems.
 - 3. AR provides funding for work.
- Maintenance:
 - 1. Fix the problems.

SUPERFUND OPERATION & MAINTENANCE

- Compensation to the Community for implementation & enforcement of the IC Program. • Earmarked for Economic Development within the County.

ENHANCEMENT



- \$500,000 Annual Baseline Funding.
- Annual budget meetings to discuss budget increases/decreases.
- Future Program funding will be adjusted for inflation.

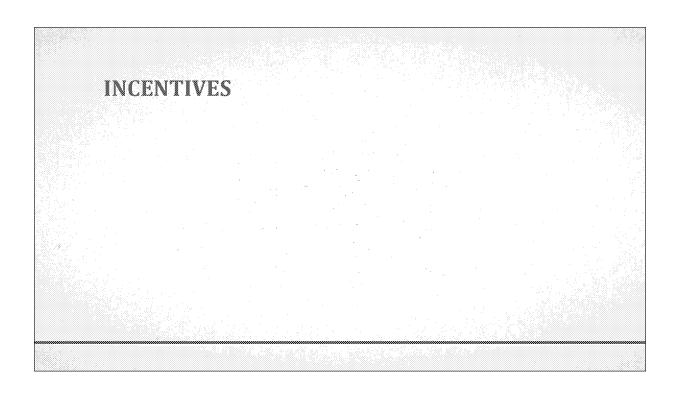
SUPERFUND IC PROGRAM FUNDING

- For all properties except OWGC, \$40,000 Annual Baseline for inspection, weed spraying and minor maintenance. Additional funding, if additional work is identified.
- For OWGC:
 - 1. Upfront funding for deferred maintenance. (\$1.35M in Year 1, \$300,000 in Years 2 & 3).
 - 2. \$250,000 Annual Payment in Year 2 to Year 100 (with \$60,000 loan repayment deduction for 20 years).
- All future payments will be adjusted for inflation.

SUPERFUND OPERATION & MAINTENANCE FUNDING

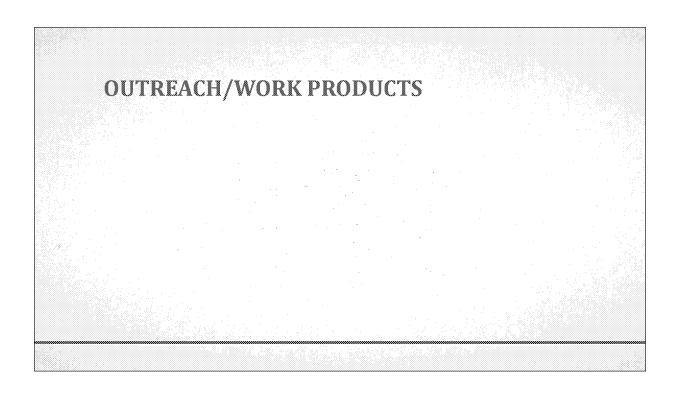
- \$1 Million upon execution of IC Agreement.
- \$1 Million upon execution of Final Consent Decree.
- \$250,000 Annually in Year 2 through Year 100.
- Additional \$750,000 every 5th
 Year through 2060.
- \$4.25 Million in Year 2065.
- All future payments will be adjusted for inflation.

COMMUNITY ENHANCEMENT FUNDING



- Annual Performance Incentive-10% of IC Program Budget and other Conveyed Parcels 0&M Budget paid to the County for successful Implementation of required work.
- 5 Year Performance Incentive-\$200,000 after each successful 5 Year Review Evaluation of IC
 Program and Anaconda Parcels O&M.
- All future 5 Year payments will be adjusted for inflation.

ANNUAL & 5 YEAR PERFORMANCE INCENTIVES



Local Government

- · 2 Commissioners & CEO on Committee
- Input from 2 Chief Executives
- Commission Updates
- County Departments (Planning, Public Health, Env. Health)

Organizations Involved

- Arrowhead
- · Chamber of Commerce
- · Main Street
- Garden Club

Public Outreach

- Twice Monthly Public Superfund Meetings
- Progress Updates at Commission Meetings
- · Public meetings on elements of Program
- Public OWGC Authority Board Meetings

OUTREACH IN DEVELOPING IC PROGRAM



- Superfund Guidance
- · Brownfields Redevelopment
- Consultation with Superfund Experts

Most important – Developing and implementing an interim program which was geared to the unique issues in our Community.

RESEARCH IN DEVELOPING IC PROGRAM

- Lead was present on the site. (ROD was modified to include lead)
- Guidance & assistance was needed for landowners & developers
 Small & large projects
 Residential & commercial
- Public concerns voiced about soil, dust & groundwater
- Public needed a place to go for reliable information about their property or health concerns
- Id'ed past problems to work on solutions

LESSONS LEARNED



- Clearly define all County obligations
- No unfunded Mandates
- Provide a Safe Community that is Open for Business

COUNTY NEGOTIATION GOALS Robust Lead Remedy
IC Program
CPMP & Soil Swap Programs
Arrowhead Superfund
Library/website
East Anaconda Reuse Plan
Growth Policy
DPS & revisions
Conveyance Agreement Audit
Lead Abatement Plan
Redevelopment Plan

WORK PRODUCTS
DEVELOPED AS A
RESULT

Opportunity Domestic Well Sampling
Dust Sampling
Community Storm Water Analysis
OWGC Business Plan
OWGC Contingency Plan
OWGC Community Economic Benefit
Analysis
Public Health Board
GIS development
Blood Lead & Urinary Arsenic Testing
OWGC Financials Review

WORK PRODUCTS
DEVELOPED AS A
RESULT
(CONTINUED)

